

***ST. HELENS SCHOOL DISTRICT
BASIC FINANCIAL STATEMENTS AND
ADDITIONAL INFORMATION
Year Ended June 30, 2008***

ST. HELENS SCHOOL DISTRICT
JUNE 30, 2008

BOARD OF DIRECTORS

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
David Morrisson 58605 Kavanaugh Avenue St. Helens, Oregon 97051	Chair	June 30, 2011
Rebecca Wallace 558856 Pebble Dr. St. Helens, Oregon 97051	Vice-Chair	June 30, 2009
Jana Mann 124 Wonderly Drive St. Helens, Oregon 97051	Member	June 30, 2009
William Crist 32583 Stone Rd. St. Helens, Oregon 97051	Member	June 30, 2011
Benita Saavedt (Appointed July 7, 2008) P.O. Box 68 Oregon City, Oregon 97018	Member	June 30, 2009
Terri Burns (Resigned June 13, 2008) P.O. Box H St. Helens, Oregon 97051	Member	June 30, 2009

ADMINISTRATIVE

St. Helens School District
474 North 16th Street
St. Helens, Oregon 97051

Patricia Adams, Superintendent, Clerk
Adam Stewart, Deputy Clerk/Business Manager (Resigned effective June 30, 2008)
Terri Burns, Deputy Clerk/Business Manager (Effective July 1, 2008)

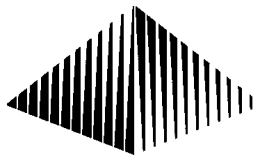
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FINANCIAL SECTION



GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
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(503) 581-7788

INDEPENDENT AUDITOR'S REPORT

Board of Directors
St. Helens School District
St. Helens, Oregon

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of St. Helens School District, Columbia County, Oregon, as of and for the year ended June 30, 2008, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component unit. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the component unit, is based on the report of the other auditor.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditor provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the other auditor, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2008 and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2008 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

Management's discussion and analysis is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The required and other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

GROVE, MUELLER & SWANK, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

By: _____
Charles A. Swank, A Shareholder
December 31, 2008

**ST. HELENS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2008**

As management of St. Helens School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2008.

FINANCIAL HIGHLIGHTS

- In the government-wide statements, the assets of the District exceeded its liabilities at June 30, 2008 by \$17.36 million. Of this amount, almost \$16.8 million represents the District's investment in capital assets net of related debt. Assets exceeded liabilities by over \$600 thousand for unrestricted.
- The District's total net assets increased by \$263,099.
- The District's governmental funds report combined ending fund balance of \$3.72 million at June 30, 2008, an increase of \$516,477 in comparison with the prior year.
- At the end of the fiscal year ended June 30, 2008, unreserved fund balance for the General Fund was \$2.50 million, or about 9.3 percent of total General Fund expenditures.
- The District's total liabilities increased by \$1.03 million (2.6 percent) during the 2007-08 fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. These statements include:

The *Statement of Net Assets*. The